

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 498 - SB 592

March 24, 2015

SUMMARY OF BILL: Requires all students to complete at least 75 hours of service-learning in order to graduate from high school. Requires the State Board of Education to adopt service-learning standards and guidelines. Requires local education agencies (LEAs) to design programs for student service-learning that comply with the SBE's rules and regulations.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$234,400/FY15-16
\$134,400/FY16-17 and Subsequent Years**

Increase Local Expenditures - \$4,166,400/FY15-16 and Subsequent Years*

Assumptions:

- The Department of Education will require one full-time staff member to oversee the service-learning requirement and help coordinate programs in all local education agencies (LEAs). Based on information from the DOE, the recurring increase in state expenditures for personnel is estimated to be \$80,000 in salary and benefits.
- In FY15-16, DOE will develop and tracking system for service-learning requirements; a one-time increase in state expenditures estimated to be \$100,000.
- DOE will conduct 34 training classes across the state each year, estimated to be \$1,600 per class; a recurring increase in state expenditures beginning in FY15-16 of \$54,400.
- The increase in state expenditures in FY15-16 is estimated to be \$234,400 (\$80,000 + \$100,000 + \$54,400).
- The recurring increase in state expenditures in FY16-17 and subsequent years is estimated to be \$134,400 (\$80,000 + \$54,400).
- It is unknown how many local education agencies will need to hire new staff to oversee and facilitate service-learning programs that will be implemented in each LEA. It is estimated that at least 68 LEAs or half of the total 136 will need at least one new full-time employee.
- Based on information from the DOE, the salary and benefits for one LEA staff member is estimated to be \$59,800; a mandatory and recurring increase in local expenditures of \$4,066,400 (\$59,800 x 68).
- It is assumed that LEAs will be required to provide busing to service-learning sites if service-learning takes place off of school property. It is unknown how many LEAs will elect to conduct or provide service-learning opportunities off of school property; however, based on information received from the Department of Education and the

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2013-2014 Annual Statistical Report, it is reasonably estimated that the recurring increase in local expenditures for busing will exceed \$100,000.

- No substitute teachers will be paid as a result of DOE summer service-learning training. It is assumed that all participating staff will be administrative and will not have summer teaching duties.
- The recurring increase in local expenditures is estimated to exceed \$4,166,400 (\$4,066,400 + \$100,000).

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink, appearing to read "Jeffrey L. Spalding", written in a cursive style.

Jeffrey L. Spalding, Executive Director

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